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“ECONOMIC” COMPETITION BETWEEN THE TWO SYSTEMS

By Dr. Aleš BEBLER

AT THE 21st Congress of the Communist Party of the Soviet Union the Soviet leaders had laid more emphasis than before on competition between the two systems — the socialist and the capitalist. In the main report and the resolution of the Congress this conception was so much highlighted that it became the central idea within the foreign-political attitudes of the Congress.

The Congress underlined the peace-loving nature of that conception and its constituting the alternative to the conception of an inevitable armaments race, coinciding with the conception of peaceful co-existence, and so on, and also its progressive character, since in such a competition victory was bound to go to the socialist system.

With this the conception of competition between the two systems had been converted into the guiding idea not only in the domain of economic activity, in the domain of the further economic buildup of the U.S.S.R., and as a long-term proposition too. As a result, it became a subject on which the rest of the world, and primarily the labour movement and progressive people outside of the Soviet Union, should form a clear idea,

appraising it from the viewpoint of the interests of the over-all world social forward movement. From that point of view, proclamation of the competition between the two systems as a guiding idea in the foreign policy of the U.S.S.R. was a whole series of aspects that cannot be condensed into an article. It merits and demands a thorough and comprehensive elucidation and illumination. However, some fundamental aspects of proclaiming such a foreign policy are immediately apparent.

First. According to the statements made at the 21st Congress of the Communist Party of the Soviet Union, competition between the two systems was exclusively conceived of as a competition in economics, in the production, of material goods in the first place, and in their final utilization on the part of the population, i. e., in the economic standard, in the second place. In connection with the competition of the two systems, no other social categories were mentioned, such as the production and all-society relations, nor any other categories of the social superstructure. The producing capacity of the community as a whole comes first, and man, as consumer of material goods, comes second. And man as a citizen

and man as a being with non-material needs is absent. It is as if the two systems were not competing in their care for him. . .

Second. Beside the U.S.S.R., other countries, too, are participating in the competition, and that is accurately determined. In the chapter on „the consolidation of the world socialist system“ of the principal report, which is just the chapter in which the conception of competition of the two systems is developed, the countries of the „world socialist system“ are listed. And the countries listed are those participating in the political community of the so-called „socialist camp“, while a socialist country which is not participating in the camp, Yugoslavia, is not listed. So, she is not competing with anyone. Nor are those countries listed which have freed themselves from colonial yoke and are battling against the patrimony of their previous colonial status in economics, i. e., backwardness, doing so with the aid of democratic-revolutionary and often socialist methods in the economy. In the competition, their place is not on the „socialist side“ either.

Third. One of the means which should serve the competition is a close economic integration of the countries of the „socialist camp..“ That co-operation is discussed by means of a vocabulary other than that applied to co-operation with the rest of the world. Co-operation with the rest of the world in the economic domain involves free trade, elimination of artificial barriers to goods exchanges, purchasing on credit, and the like. And about the co-operation of the countries from the camp it is said that they „unite and co-ordinate their economic efforts“, which formula obviously goes beyond the West European integration, the Common Market, and so on, and which, for that matter, ties in with the existing practice of the „Council for Mutual Economic Assistance“ with headquarters in Moscow.

Fourth. In the cited part of the principal report which is primarily devoted to the conception of competition of the two systems, the U.S.S.R. is cast in the main role of the competition itself. The relevant passage opens like this: „In the world arena economic competition is proceeding between the U.S.S.R. and U.S.A., a competition between the whole world system of socialism and the world system of capitalism. So, in the first place, before the competition of the two systems, competition between two states — the U.S.S.R. and U.S.A. — is mentioned. One gains the impression that the competition between the systems actually narrows down to competition between those two states. In the whole section cited the main attention is devoted to a comparison of the achievements and prospects in the competition between those two great powers.

In one word, according to the notions brought out at the 21st Congress, the so-called competition between the two systems boils down to fulfilment of the following task: that the U.S.S.R., at the head of the group of countries forming the „camp“, with fresh efforts and with a closer exclusive economic integration with those countries, raise its economic potential the quicker.

Can such a pronounced bloc-like conception of the competition between the two systems have for its aim a

simple „proving“ that the one system is superior to the other? The very posing of this question already provides the answer to it in a way. Let us proceed, though. Those who follow the press in which the ideas of the 21st Congress are expounded, who are reading its attacks against Yugoslavia and criticism of the economic system of certain Asian countries, cannot err as to the kind of an answer due to that question. For the sake of still greater clarity, here is a quotation from one of the *leading* Communist newspapers of Western Europe:

„We see today already how much authority and effectiveness is lent to the policy of peace of the Soviet Union by its economic and industrial strength. But only when the Soviet Union and the system of socialist countries will have overtaken America and the capitalist countries not only in the rhythm, which is already happening, but the volume of its development, only then will the cause of peace and independence of peoples be consolidated and definitively secured; for the capitalist and imperialist world will then be thrown into conditions of an absolute technical, industrial and economic inferiority, and by that very fact into conditions of an absolute political, diplomatic and military inferiority, too, which signifies conditions in which it no longer will be able to do harm“.

Certain phenomena from the foreign-economic relations of the U.S.S.R. also throw enough light on the question posed and permit of the answer that the U.S.S.R. is using its economic possibilities in external relations for the achievement of particular political goals. Not so long ago, for the second time within ten years, the U.S.S.R. had suddenly, unilaterally, called off the fulfilment of certain economic agreements with the Federal People's Republic of Yugoslavia, causing serious difficulties to our country thereby. On the part of other countries from the „camp“ as well there been and are today similar economic measures, from discrimination toward our ships in Chinese ports to difficulties in the procurement of certain raw materials in Eastern Europe. And all those are measures against a socialist country.

What has that to do with competition between the two systems?

So, the unequivocal conclusion imposes itself: the so-called competition between the two systems is a new garb for the conception of bloc-like struggle, for the conception of the struggle of one bloc, the Eastern one, headed by the U.S.S.R., for particular political ends.

Thus conceived, the competition obviously runs counter to the principle of peaceful co-existence of countries without distinction as to their internal organization. Its practical implication is a continuation of the cold war. And the cold war today constitutes the chief obstacle to social progress on a world scale and, accordingly, the chief obstacle to the development of the cause of socialism.

THE FICTION ABOUT A „THIRD BLOC“

By R. KOZARAC

„The struggle for the consolidation of national equality is today a significant factor in the struggle for peace and social progress. This struggle is not in contradiction with the development of international cooperation on the widest possible front, but is, in fact, a starting point for close rapprochement between peoples, for further democratic development, for the process of progressive interlinking among the peoples of the world in an economic, political and cultural respect. Successful cooperation and the highest degree of understanding can be achieved only between independent and equal peoples“. (From the Programme of the League of Communists of Yugoslavia, Chapter III).

IT IS unequivocally shown by the world situation today that the concept of blocs involves a particular political, economic, military and ideological substance. Without that substance the concept of blocs would be an abstract formula or pattern, not what objectively exists: a perfectly concrete reality in international relations. Analysis of the political aims, military and economic arrangements, ideological slogans and programmes in the relations of the great powers and the governments following, with larger or smaller deviations, the one or the other basic course would clearly reveal the existence of two blocs in the world today, two systems of bloc-wise strength. This in itself shows that the expression „third bloc“, which has latterly become increasingly current on various sides, lacks the fundamental conceptual qualification of a bloc: objectively it is non-existent in international relations as a political, economic military, ideological mechanism of a power or group of powers.

Therefore, the two blocs, the Eastern and the Western, are a reality no one tries to deny today, nor could deny it even if he tried, even though such differentiations occur as that in the East they are calling the Eastern Bloc a „camp“, and in the West the Western Bloc — an „Atlantic Community“, all in accordance with affinities toward a particular terminology. The so-called third bloc appears as a term exclusively in the Eastern and Western propaganda, in quite distinct political combinations and with a quite distinct political aim.

President Tito's trips to the countries of Asia and Africa have twice given rise to speculations with a fictitious „third bloc.“ The leitmotif of the theses that have started to appear in the Eastern and Western press, in somewhat different forms but with the same aim essentially, narrow down to that Yugoslavia, together with the independent countries of Asia and Africa, is creating or attempting to create a fresh bloc — the „third bloc.“

The measure in which such combinations with a „third bloc“ are mere insinuations is revealed even by the briefest of analyses of the positions and attitudes of Yugoslavia and the independent countries of Asia and Africa in international policy. The whole world public is well familiar that Yugoslavia is resolutely opposed to a bloc-like division and bloc-like policies not only in political theory, but in most tangible political practice. More than that, her present international position of a sovereign and independent country has been built by Yugoslavia by opposing all the attempts of both the one and the other bloc to incorporate her into their mechanism of force. The past decade has most adequately shown that this has been no sheer platonic determination on Yugoslavia's part, but a most resolute struggle for national survival, in which the principles of a consistent anti-bloc policy have definitively

triumphed. As for India, Burma, Indonesia or the United Arab Republic, it suffices to recall that just the principles of an extrabloc policy have been those upon which a most intimate co-operation has developed between Yugoslavia and those countries. Practically all those countries, without ignoring the different features occurring among them, are equally interested for a policy of positive neutrality which actually amounts to a vital interest not to accede to the blocs. Their allegiance to an anti-bloc policy emanates from their historical development and present position in the world constellation. For, both India, and Burma, and Indonesia, and the United Arab Republic, and the other independent countries of Asia and Africa have succeeded after large efforts to free themselves from the domination of the great powers, determining themselves for such plans of economic development as will safeguard their independence and general progress and prosperity. Peace on their borders and an atmosphere of co-operation in international relations are indispensable for the realization of their programmes. And those countries see safeguards for this just in the policy pursued by them, a policy of positive neutrality comprising all the essential elements of the concept of active and peaceful co-existence.

In view of the fact that the policy of Yugoslavia and the independent countries of Asia and Africa is based on opposition to blocs, regardless of what they are called and what their serial number may be, it is far from reasonable and a paradox when somebody comes up to allege that they are simultaneously interested for creation of a „third bloc.“ A bloc stands for a system of force; a bloc implies atomic bombs and arsenals of ammunition; a bloc signifies subordination to a mechanism determined and actuated by the power heading the bloc. Yugoslavia and the independent countries of Asia and Africa are against the application and use of force in any form; they are not rattling arms nor do they rely on arms in their policy: they are in favour of a consistent application of the principle of equality and non-interference, which is incompatible with the organizational structure of every bloc, which inescapably rests on centralism and subjugation of the weaker to the stronger and the lesser to the bigger.

The co-operation and ties of Yugoslavia and the independent countries of Asia and Africa stem from a general solidarity and the widest adequacy of outlooks. The forms of that co-operation are diametrically opposed to those forms through which co-operation within a bloc proceeds. The influence exerted by independent countries through their anti-bloc policy is becoming a growing moral and political force, but the influence is not that of a „third bloc“, which only exists in the imagination and inkpots of those denouncing the policy of peaceful co-existence. It is the natural influence of

a sincere and selfless striving for peace and international co-operation whose effect is all too well qualified by the means whereby it is being achieved and the aims served by it as to necessitate classification in unfitted, inaccurate or artificially fabricated terms.

When that is how matters stand, and when this is so obvious that any arguing to substantiate it is rendered superfluous, then it is clear that the peddling of the fiction about a „third bloc“ is a sheer misinformation calculated to achieve a particular slanderous effect. For certain circles in the West, it is quite logical that they should see the consolidation of the independence of the countries belonging to no blocs as a weakening of their own positions. Starting from their bloc-like conceptions, they do not renounce the policy of strategic frontiers and spheres of interest, and they would be very happy to be able to re-establish, in some more flexible forms, their colonial or bloc-like patronage over the countries which have become independent. After all, a strengthening of these countries in any form — and their policy of independence is becoming an increasingly significant factor of peace and stability — represents a component part of that historical process which has led to the collapse of classical colonialism, confronting imperialism with a phenomenon running counter to its most fundamental intentions. For these reasons, it is quite natural that those circles in the West which are disinterested for a strengthening of an independent policy

should be against such manifestations of consolidation of that policy as President Tito's meetings with President Sukarno, Prime Minister Nehru, President Nasser and the other leaders of the countries of Asia and Africa.

On face value, it is more difficult to understand what the „critics“ from Eastern countries can have against a strengthening of the policy of active co-existence, to which they have been paying-lip service on various occasions. Employing the fiction of a „third bloc“ in sundry variants, and attempting to compromise Yugoslavia's co-operation with the countries of Asia and Africa, what they are doing in actual practice is attack the policy of active co-existence and try to discredit not only Yugoslavia, but her Asian and African friends. This can only be explained by that their own determination for a policy of active co-existence is an expedient conditioned by momentary interests, and also that the destructive policy applied by them toward Yugoslavia is an expression of bloc-like aspirations annoyed by an effective strengthening of the independent extrabloc countries.

Consequently, in spreading tales about a „third bloc,“ both certain circles from the West and those circles which are direct-ign the propaganda from the East, have found themselves on the same position, which, „objectively speaking, is aimed against the interests of peace and the co-operation of peoples on the principles that were inscribed in the UN Charter as a common weal of mankind.

Trade with the Countries of Eastern Europe

By M. PERIČIĆ

FOLLOWING a 6-year interruption, 1954 had seen the beginning of the first contacts for resumption of Yugoslavia's trade relations with the countries of Eastern Europe. Through 1948 there was an intensive trade going on with those countries, accounting for about 50 per cent of Yugoslav's total foreign trade. The complete and prolonged interruption mentioned did not have a temporary effect only, but a rather long-range one, regardless of the other conditions in the relations with those countries.

The first trade arrangements which were made during 1954 by the individual enterprises and chambers had established the preliminary conditions for resumption of trade relations and their gradual regulation by way of interstate instruments as a basis of normal development of trade exchanges and the revival of other forms of economic co-operation. As a result, only 1955 can be regarded as the starting year of resumed economic relations, and from that period on there has been a constant increase in the exports and imports, with fresh forms of co-operation appearing to open a wider and longer-term perspective.

The following shows the increase in the exchanges, as per the lists within agreement:

	Million dollars		
	1956	1957	1958
Exports	106	134	179
Imports	106	134	179

In the matter of structure, the lists have been characterized by that they were mutually complementary in relation to the economic needs of the contracting parties, the export

lists being adjusted to the structure and exports range of each country concerned.

Scientific-technical co-operation had appeared as a new form of economic co-operation based on state treaty relations. In the period since the resumption of relations Yugoslavia has signed such agreements with all countries of South East Europe except Albania and the Democratic Republic of Germany.

With the object of expanding and consolidating economic relations for a longer period, more comprehensive preparations were made in the course of 1957 for the conclusion of long-term (three-year) agreements relating to the basic commodities of exchange representing the basis of one-year bilateral agreements. Such agreements were concluded with U.S.S.R., Poland, Czechoslovakia and Rumania, while consideration has also been given to similar arrangements with other countries of Eastern Europe. These steps had led to an appreciable increase of the commodity lists for 1958 (by 32 per cent compared to 1957).

Such an increase of trade exchanges has corresponded to the needs and economic considerations of the partners, which fact also sprang from the successful fulfilment of the commodity lists.

At the beginning of 1958 a Committee on Economic Co-operation was formed by Yugoslavia and Poland representing a wider platform for the promotion not only of trade exchanges, scientific-technical co-operation and other, but of industrial co-operation in all domains.

However, for reasons of a non-economic nature, difficulties again arose during 1958 in the realization of commodity lists with some countries, the Aluminium Investment Agreement was denounced by the U.S.S.R., and implementation of

the programme of scientific-technical co-operation ran into obstacles

Despite the numerous declarations that the campaign against our country will not affect the interstate relations, notably economic relations, the fact is that difficulties have been growing in economic relations parallel with the spread of the campaign. Of course, this has affected trade in 1958, when Yugoslav exports reached a value of 123,291,000 dollars, as against the scheduled 179,000,000 dollars. Likewise the preparations for trade negotiations relative to 1959 had been accompanied by various difficulties, so that agreements with some countries (U.S.S.R., Czechoslovakia) were concluded with delay, while the negotiations with Rumania have not yet been concluded, the question of implementation of the Brioni Agreement being up which Yugoslavia desires to observe.

The commodity lists established (provided that with Rumania, too, agreement was reached in the sense of the long-term agreement) will in 1959 range at last year's level (for all countries of Eastern Europe), even though divergencies will occur in the case of individual countries, as witness the tabulations below (in million dollars):

	1958		1959	
	Exports	Imports	Exports	Imports
U.S.S.R.	65	65	53	55
Democratic Republic of Germany	25	25	35	35
Poland	27	27	31	30
Czechoslovakia	24	24	25	25
Hungary	20	20	15	17
Bulgaria	6	7	9	9
Albania	2	2	1	1

As is seen, there have been considerable changes in the dynamism of the development of trade exchanges with the countries listed.

U.S.S.R. — The commodity lists for this year show a 15 per cent drop over last year's. The negotiations were concluded only in January after many difficulties, caused mainly by that the Soviet Government had refused to accept agricultural products, which Yugoslavia is supplying to all the other countries and which normally used to be included in her

commodity lists with U.S.S.R. The Yugoslav exports list does not correspond to the normal exports structure. However, even at such a volume and structure, agreement has been acceptable, being signed as a result.

Democratic Republic of Germany. — The 40 per cent increase revealed by the commodity lists compared to last year corresponds to the economic possibilities of both countries, as has also been borne out by fulfilment of the agreement from last year.

Poland. — A Trade Agreement was concluded with Poland in October last year. Within the framework of the activities of the Committee on Economic Co-operation, other arrangements, too, had been initiated (the Investments Agreement, the Agreement on Deliveries of Vessels), opening stronger trading prospects thereby.

Czechoslovakia. — The negotiations with Czechoslovakia took a long time, being attended by difficulties, and the volume of exchanges mainly remains at last year's level.

Hungary. — Trade exchanges agreed upon with Hungary are based on last year's realization, and they might increase during the year, subject to real openings.

Bulgaria. — The considerable increase revealed by this year's commodity lists is not unrealistic. During last year both countries' economic organizations were well active, indicating possibilities for increases both by volume and nomenclature.

Albania. — The reduced exchanges provided for correspond to the results of the realization last year.

* * *

Analysis of the exchanges by volume and structure reveals that the political relations have affected the development of economic relations integrally speaking. Remaining in 1959 at the level from 1958, considering the development of our economy and foreign trade, as well as the development of the economies and foreign trade of the countries of Eastern Europe, denotes in essence a step in reverse. The picture becomes even more complete by recalling the difficulties attendant on the fulfilment of agreements during the course of 1958.

This year an understanding has been reached with the Governments of Bulgaria, Hungary and the Democratic Republic of Germany to proceed to the conclusion of long-term agreements.

Yugoslavia and GATT

By Nenad POPOVIĆ

IT MAY seem strange, but experience confirms the idea that the more international organizations are needed, the more difficult is their creation. We are already living today in times when it would be just as wrong as it is damaging to deny the influence and the necessity for internationally organized work in the field of economic relations. Today it is more than even clear that a set of problems exists which can only be solved on an international scale. Up till recently, the problems of the under-developed countries have been one of the first considerations, but it is becoming more and more obvious that full employment in the developed countries can be secured only if treated as a general, world problem.

In the post-war carrying out of the rôle of the United

Nations, the economic aspect of different problems has not been neglected. The idea was formed to set up three organizations with equal rights, which should be mutually connected but otherwise individual. One was to relate to long-term financing, the second to monetary co-operation and current international payments and the third to world trade. Of these three proposed organizations only the first two were realized: "The International Bank for Reconstruction and Development" (long-term financing) and the "International Monetary Fund" (monetary co-operation and current payments). These two so-called Brettonwood organizations function today as specialized agencies of the United Nations.

The third organization which should have concerned the field of international trade was not founded. After many

troubles the so-called „Havana Charter“ was founded but never put into force. Instead, in 1948 GATT („General Agreement on Tariffs and Trade“) was created. Today it includes slightly less than forty countries and, as its name itself indicates, is more an agreement than an organization. This agreement refers to the mutual establishment of certain aims, and especially to the means for their realization. It is not a question only of some kind of international code of behaviour in trade, but much more of cutting down the quantitative and customs restrictions in trade which appeared in great measures after the war. The method of treatment of the whole matter has been put on the principle of reciprocity and non-discrimination, and the mechanism has been set up on the basis of mutual bilateral concessions which should later be multilaterally applied and widened.

All this has given GATT the necessary dynamism. The starting power is the interest of each individual country, and the final success lies in the fact that such interest always sets in motion a mechanism for widening the individual gains of all members. By this GATT has gained a vitality which is somewhat rare in similar international organizations. This vitality is shown especially in the ingenious gathering of initiative, realization, and the final goal into one unity.

In these circumstances GATT has developed in one completely different way: a long time ago it stopped being just an agreement but it still has not succeeded in becoming an organization: it functions only by means of one more than modest secretariat, by annual meetings (in spring and autumn) and by working groups. Even if perhaps it would be too bold to predict that GATT will soon become a completely regular international organization with greater apparatus and fixed forms of permanent work, it is certainly not wrong to assert that such a development would be necessary and useful.

Even as it is today, GATT has the following advantages for its members: it is above all an international forum in which are solved mutual problems of world trade, and questions bound up with this; its members can carry on an active policy and (based on points in agreements and accepted principles) can insist that other members eliminate obstacles in exchange; finally, the countries can ask that other members should treat them exceptionally and more mildly, that is that they may apply limitations if they find themselves in an exceptional and difficult position.

Accordingly, GATT is not only a general international organ, but is also a medium through which pressure may be brought on the rest of the world with the aim of abolishing barriers, and also provide defence from the unjustified pressures from outside. This last quality is unusually important, for with it the series of those earlier mechanical conceptions on equality of obligations have been changed. Such mechanical conceptions of equality were not accidental and arose (especially for the stronger and more developed countries) from a useful hypothesis that with equal rights all have equal obligations, and nobody asked whether it was really a case of equal partners.

In this respect GATT made a significant step forward when it succeeded in affirming the principle that the capability of bearing obligations should accord with the strength and capacity of each individual member. This is especially pointed out in section XVIII, which considers the countries in the process of development and their difficulties.

Our country, which is indeed, with rare exceptions, a member of nearly all international organizations, did not then become a member of GATT. The reasons were varied, but the most significant were technical reasons. These last again arose from our special conditions, especially in the intermediate phase of building our socialist system. While this phase in its internal aspect is more or less completed, at

least as far as the general appearance is concerned, it is certainly not the case with the aspects and conditions in which our economic relations with foreign countries take place.

In other words, what prevents us from accepting the obligations and rights which arise from the points in the GATT agreement is in part the series of technical obstacles which arise from the special conditions of our system of foreign trade and payments, and which are characteristic of the intermediate period. These will gradually be liquidated with the further construction of our system. At the same time, we are held back by the narrow material frames which result today in the deficit in the balance of payments, and which are due to the still insufficient development of productive power in our economy.

If up till now there was no possibility of Yugoslavia linking herself more closely to GATT, it can be seen that this is no longer the case today. GATT certainly has a definite interest in finally including our country among its members, and this is also the case when viewed from our side. Maybe there are different intensities in this interest and, viewed from our side, the first phase of approach to GATT (up till now we have only been spectators and have not participated in any way in its work) will mean for us not only the need for a series of technical adjustments but very probably also a considerable burden. In other words, in the beginning we shall put more into GATT than we take out of it. Even if these are useful investments, they can be carried out only according to our capacities.

Since last autumn our country has been in official contact with GATT and has been working to find acceptable forms and conditions for closer connections with it which, in the first phase, would mean something more than the position of spectator but something less than full membership, the latter being, however, a future aim. Actually it is a question of finding a specific form of associated, or rather, associating, membership.

In order to discover such forms, the last (XIII) meeting of GATT set up a working group to make a report to the next (XIV) meeting on whether and under what conditions these forms of closer association should be sought. This working group recently met in Geneva, and it seems that it had more success in pointing out the possibilities and necessity for Yugoslavia to enter into closer association with GATT than in indicating the forms and conditions whereby this could be brought about.

The discovery of these forms will be the task of future work, but it is quite certain that one must bear in mind the circumstances which relate to Yugoslavia, and which are, after all, the cause why Yugoslavia has neither become a member of GATT nor taken steps in this direction. These circumstances are found in the following facts: the first are institutional and arise to a considerable degree from our system, but a much greater degree from its still insufficient construction in the field of foreign trade (for example, customs). The other circumstances are of a material character and appear in the deficit in the balance of payments, and are the result partly of the lagging behind of our economy, and of the efforts to liquidate this.

These two groups of circumstances not only slow down and define the method of Yugoslavia's approach towards GATT, but also render Yugoslavia incapable of undertaking those obligations which are contained in the points of the General Agreement (GATT). That is to say, if one tries to simplify the matter and to reduce the General Agreement to its most elementary constituents, then it could be said that they are reciprocity and non-discrimination. But just in these points difficulties arise. As far as discrimination is concerned, this does not exist here — in those remnants where it is found, it is not a result of our elements, but is forced on us by foreign countries, mainly by means of various open or

hidden forms and channels of bilateralism. Certain elements of discrimination are to be found, or better say have to be found also in the defence of our domestic production. As far as reciprocity is concerned, however, restrictions are made just in our specific conditions. This is partly shown by the fact that we have a deficit in the balance of payments (due to development), and partly because our system is specific.

We believe, therefore, that great care should, be needed in treating this problem of reciprocity. From the Yugoslav side, we cannot give more than our conditions allow, and even less can such be asked of Yugoslavia. Difficulties will certainly also appear here and one must not be surprised if the old mechanical theories on equality of rights and obligations and mutual concessions appear again. One must not be surprised if GATT is used also for the promotion of the personal and individual interests of certain countries. After all, this is why it exists. But it is also right that through GATT one tries to find such solutions as correspond to the mutual and general interests of all interested countries and that it is expected of all members that they should do as much

as they can (and not just as much as the others). Yugoslavia, with her interest in finding forms of closer association with GATT, has also expressed her readiness to accept to the limits of her capacity the obligations arising from that association. But she can only go to those limits. And, of course, that she would expect just the same readiness from her partners. This is the sort of reciprocity which must be practiced, especially now in the first active phase of the rapprochement of Yugoslavia and GATT.

As far as other things are concerned, it is a question of the method by which a mechanism may be put in action for the association of Yugoslavia — if it should come to that. This is important, even very important, but still it is secondary. It is essential to find such forms which will be sufficiently dynamic to enable Yugoslavia to approach always in one direction, and not in a series of static and immovable phases. All this, however, refers only to the form for what must be basically expressed, and which is contained in mutual readiness to associate to that limit which is objectively set up for each in particular.

Comments

Attack on Minority Rights

By N. DUBRAVČIĆ

IN YUGOSLAVIA the news has been received with surprise and concern that the Austrian Parliament on March 19 adopted legal proposal on minority education in Carinthia, and on the introduction of the Slovene language as an official language in only three of the eight district courts in Southern Carinthia. The delegation of Carinthian Slovenes, which had arrived in Vienna the day before to try to prevent the abolishment of bilingual schools, did not meet with any response in parliament. Both laws were passed by the votes of the Coalition Government of the People's Party and the Socialists, which make up 156 of the total of 165 seats in parliament. The speed and methods with which these unexpected measures gained legal force lead to the opinion that the Austrian government has essentially changed its attitude towards the minority problem, permitting the chauvinistic campaign which is directed, not only against the Yugoslav minority in Carinthia, but also against good relations with Yugoslavia, to become an integral part of its policy. The fact that both coalition parties, on the very eve on the elections, started speaking in the same discriminative terms strengthens us in the belief that this campaign has a deeper and certainly a problematical political motive.

The surprise was the greater because on the Austrian side there had been assurances that the problem of the Slovene schools would be solved in the spirit of the State Agreement and of goodneighbourly relations with Yugoslavia. Even at the time of last year's Yugoslav-Austrian discussions in Vienna, and also during the meeting of the Mixed Commission in Belgrade and Bled, there were signs that the Austrian Government was ready for a reasonable settlement of this problem. After achieving agreement on small-scale frontier passing, traffic, agricultural co-operation, and the restitution of cultural property, and also after consular and other agree-

ments, the impression was given that between the two neighbouring countries there were no problems which it would not be possible to solve in the common interest and with good will on both sides.

This optimistic impression, however, received its first set-back on September 22 last year, when the District Government of Carinthia passed the Degree of the Education Council, by which — in spite of the energetic protests of the Slovene minority and the formal protest of the Yugoslav Government — the Act regarding bilingual schools in the ethnically mixed districts of Carinthia was abolished. The system of bilingual education, that hardly-won attainment of the Carinthian Slovenes, represented more or less the defence of their elementary right to their native language and national development. Even if it was never literally followed, this system still constituted a satisfactory solution which had a very favourable influence both on peaceful co-operation between the two nationalities in Carinthia and on the settling of general relations between Austria and Yugoslavia.

The protection of the rights of the Yugoslav minority was guaranteed also by the State Agreement on Austria, of 1955. The acceptance and realisation of the national, democratic rights of the Carinthian Slovenes represented above all a basic obligation undertaken by Austria, according to the documents on the basis of which she gained her independence. The laws which the Austrian parliament recently passed on the abolishment of bilingual education and on discrimination against the Slovene language in the legal courts in South Carinthia are definitely contrary to the State Agreement; they violate in letter and spirit section 7 of this agreement, as well as offending those to whom the guarantees were made.

If the impression is correct that in the Act regarding

bilingual education, the Austrian Government had no fresh viewpoint other than the one in the former concession, which means that she is gradually ignoring her obligations based on the State Agreement as her international position strengthens, then the present measures cannot be regarded separately from the moment when they were taken. In other word, Yugoslavia again being exposed to sharp pressure from the countries of the Socialist camp, and this circumstance is probably regarded in Austria as a favourable occasion to cut down the rights of the Yugoslav minority. Disregard of promises in the treatment of the minority problem is shown also by the fact that this very system of bilingual education, which is now abolished, was referred to by the Austrian Government before the United Nations as a proof of their just and democratic policy towards the minorities in Austria. Almost at the same time they are fighting with all possible means to guarantee for the Austrian minority in Italy, in South Tyrol, the same right which they neither recognize nor wish to grant the Yugoslav minority in their own country. It is well-known that the Austrian minority in the Italian province of Alto-Adigia (South Tyrol) has primary and middle schools in its mother-tongue, the right to bilingual signs and to use German in all public offices, as well as equal rights of employment. Besides this, the Austrian minority has self-government and the right to enforce legal and executive district government, holds over 100 representative seats in the country council, is represented by 3 delegates in the Italian Parliament, and by two in the Senate, and has a considerable number of representatives in the regional government and in the Bolzano Parliament. When these rights are compared with the methods

used to solve the living problems of the Carinthian Slovenes, we get a clear conception of the national inequality of the Yugoslav minority in Austria. A disregard for promises is obvious: at the same time as even wider rights are being requested for its minority in Italy, the Austrian Government is passing laws which open the way to the old practice of forcible Germanization of the Yugoslav element in Austria.

Yugoslavia from the beginning has looked on the minority problem in Carinthia as a factor which might hinder the development of goodneighbourly relations with Austria. If she did not give to the separate methods of discrimination the consideration they deserved, this was only because she always had in mind bilateral interests and because she continually hoped that the responsible authorities in Vienna would also show good will on the solution of the minority problem. But Yugoslavia cannot avoid acting according to the obligations of her natural and national duty: that is to give full support to the justified rights of the Carinthian Slovenes and to their protests against decisions of the regional and federal government which endanger their national status. As a signatory of the State Agreement, and being anxious about the fate of her minority, she cannot now remain disinterested towards measures which lessen the obligations of the Austrian Government regarding the preservation of the democratic rights of the Yugoslav minority. It must once again be pointed out that the situation of the Carinthian Slovenes plays no small rôle in the general regularisation of relations between the two countries, and that the present course of the Austrian Government can result only in the burdening of these relations with a problem which had almost been solved.

Hungary's new Collectivization Trend

By E. ŠTAJNER

DURING the last two or three months an intensive collectivization drive has been witnessed in the Hungarian village. The Resolution of the Central Committee of the Hungarian Socialist Labour Party (HSLP), published in the Party's newspaper „Nepszabadsag" on March 8, had informed the public that within a mere two months, from January 1 to March 1 this year, the drive for the establishment of Producing Co-operatives has caused the number of these to double, the same as their membership and the farm land held by them. As of now, State Farms and Producing Co-operatives are holding over 40 per cent of the farm land in the country. The Producing Co-operatives alone, which had been cultivating 11.8 per cent of the farm land through December, 1958, are said to control today more than one-fourth of the total farm land, which is more than at the beginning of 1953, at the time of Rakosy's leadership, when collectivization in Hungary had reached its peak.

The direct signal for this sudden wave of collectivization had been given by the Resolution of the HSLP's Central Committee from December, 1958. On that occasion, too, as in Rakosy's day, a single statement by that Central Committee to the effect that the political-economic situation was making for a quicker development of Producing Co-operatives had sufficed, according to Hungarian sources, to stir the consciousness of the peasantry in such a measure as to cause them to start determining themselves overnight in their masses for abandonment of farming on own account and joining Producing Co-operatives, pooling their land, livestock and inventory in the process.

The basis on which the HSLP has been conducting this campaign occurs in an 11-point action programme providing for „synchronized work by the entire society" toward realization of collectivization. Among other things, the HSLP would be establishing a wide network of activists in the villages, sending 500 „experienced and politically-steady comrades" to the rural districts, mobilizing the membership of the mass organizations there, the whole while commissions for the promotion of Producing Co-operatives were busying themselves with the preparation of plans for the setting up of such Co-operatives. These commissions were to conduct an agitation-organizational activity until such time „as the village is transformed into a Co-operative village". The same December Resolution specially insisted upon creation of Producing Co-operatives of the paramount type which should constitute „the chief means of socialist transformation of Hungarian agriculture".

However, if this Resolution and the tasks proclaimed by it are compared with the earlier campaigns in the province of collectivization, it will be seen that a new policy is being pursued today in the Hungarian village differing essentially from some previous attitudes and methods of the HSLP. Thus, for example, in the Declaration from January 6, 1957 the Hungarian Government had espoused the idea that Hungarian peasants „establish Co-operatives on the basis of full voluntariness". At that time the Government was championing consolidation of the already widespread forms of peasant associations, such as those of rice growers, for utilization of machinery, then Water Co-operatives, Dairy Farming Co-

operatives, etc., never mentioning Producing Co-operatives. In the February Resolution from 1957 the Central Committee of the Hungarian Socialist Labour Party had demanded that the party and governmental organs uphold State Farms and Producing Co-operatives, with the object, though, that those organizations „may be able to advance their farms and render them more economical“.

It follows from both those documents that the Central Committee of HSLP had at that time orientated itself rather toward supporting the lower forms of association, while as far as Producing Co-operatives and State Farms were concerned the idea was, first of all, to make them into profitable economic units.

Documents from the subsequent period — the Resolution of the First National Party Conference and the Theses on Agrarian Policy, published in mid-1957 — are even more illuminating, comprising as they did an analysis of the earlier mistakes in rural policy. Studying those documents, it becomes evident that the new collectivization trend in Hungary actually follows the old line which had come in for sharp criticism in mid-1957. The Resolution of the First National Party Conference, for example, condemns the earlier method of collectivization on grounds of „violating the Leninist principle of voluntariness“ in the establishment of Co-operatives, as well as on account of exaggerations in the numerical increase of Co-operatives which were dissonant with the material conditions of the country. The whole attention of the First National Conference had been focused on economic consolidation of Producing Co-operatives; at the same time, though, the Conference had stood up for the granting of every privilege to the peasant farmer on own account in order to ease his position and promote his holding.

The HSLP's Theses on Agrarian Reform had sharply criticized the coercive and frequent consolidations of lands in connection with the organizing of Producing Co-operatives, which, as the Theses put it, had provoked discontent and insecurity in production. The Theses came out with the demand that the socialist transformation of the village be carried out by degrees, by persuading the peasantry about the superiority of modern large undertakings over tiny holdings.

It is not difficult to perceive that these conceptions stand

in considerable contrast to the Resolution of the Central Committee of the Hungarian Socialist Labour Party from December, 1958 pursuant to which the current collectivization is being implemented. Steering a course of intensive collectivization, abruptly and without preliminary preparation, with a reversal to the old methods, signifies a neglect of the previously assessed needs of political practice in rural policy.

From a series of official materials — for example, the statistical publication *Nepgazdasági Merlegek Realjövédelmek* 1956, 4th Quarter of 1957 — it is seen that Producing Co-operatives and State Farms had been marking in 1955 and 1956 far poorer results than the farmer on own account. Due to a range of weaknesses, they had been incapable of demonstrating to the peasant their advantages over such farmers. As of now, that situation has undergone no substantial change.

Producing Co-operatives, which had emerged in Rakosy's period as the product of compulsory collectivization, did not prove themselves to be solid economic units precisely on account of the method by which they had been created and the relations which were set up in them. At two junctures, when an opportunity had offered itself for their disbandment, Hungarian peasants did not think twice. Only by administrative measures was disintegration of the Co-operatives prevented in 1954, and formation of Kadar's government on November 4, 1956 had checked their further erosion. Inside less than a month hardly 50 per cent of the Co-operatives had been left in business, while something like 40 per cent of the erstwhile land holding of the Co-operative was all that survived. Much as the explanations may be founded that exceptional factors had provoked the crisis of Producing Co-operatives in 1953 and 1956, it is strange that no other conclusions, too, had been drawn from those phenomena: that such a form of association and consolidation of holdings was not suited, or at least not yet suited, to the Hungarian peasant. Instead, suddenly, regardless of the earlier and fairly painful experiences, it was now passed to an intensive collectivization which, while, true, accompanied by changed conditions, still is attended by many phenomena very reminiscent of the collectivization style from Rakosy's period.

One has the impression that in their rural policy they have been reverting to extremist conceptions.

YUGOSLAVIA TODAY

The Role of State and Collective Farms in the Development of Agriculture

By ing. Radomir JOVANOVIĆ

THE RAPID and steady rise of production on state and collective farms began in 1956. Output on these farms was formerly at a low level owing to the primitive farming methods and organizational weaknesses, which were due, among other things, to the lack of expert personnel and insufficient experience in the organization of modern and intensive agriculture. That phase was marked by the fairly extensive construction of economic projects on the farms, and the necessary preparations for transition to modern farming methods.

According to statistics there were 770 state farms with 588,819 hectares of arable land in 1957. The 370 collective farms had 116,000 hectares, thus bringing the total surfaces cultivated by the big social holdings to approximately 705,000 hectares, or only 4-7 percent of aggregate Yugoslav farmlands. This percentage comes to 6.14 by with the addition of 216,297 hectares of the land held by the peasant work co-operatives.

Although the production capacity of the big social holdings is not large, these farms nevertheless play a significant

role in present-day agriculture. In the first place the state farms have definitely abandoned obsolete concepts and adopted modern farming methods which they are continuously improving by the development of mechanization and new technological processes. This has yielded far better production results than those obtained by the individual peasants, and in this respect the state farms provide an example for the co-operative and private sectors in agriculture.

Almost the entire output of the state farms is intended for the market, thus constituting an important factor in the supply of the major consumer centres and acting as a regulator of market relations. The orientation to the production of high quality products intended for exporting which comply to foreign market requirements, is particularly significant, noteworthy results having been achieved in this respect so far.

The capacities of the state farms and holdings of agricultural institutions and schools are largest in the grain-farming sector, these units now being large producers of wheat and maize, with an improved yield to the area of sown surfaces. The sustained and rapid rise of yields since 1954 testifies to the growing significance of the state farms and similar holdings in the grain-farming sector.

Comparative Survey of Yields per Hectare

Year	(in quintals)					
	Wheat		Barley		Maize	
	average FPY	State & collective farms	average FPY	State & collective farms	average FPY	State & collective farms
1954	7.5	9.4	7.6	10.5	12.2	18.5
1955	12.8	17.9	11.6	19.3	15.8	20.1
1956	9.9	15.4	9.7	16.0	13.1	21.5
1957	15.8	23.3	14.8	25.1	21.9	37.7
1958	12.3	24.3	12.1	22.7	16.5	42.0

Comparison of yields on state farms and private holdings on the territory of individual districts illustrates these results still more vividly, as shown by the following figures.

Yields per Hectare in 1957 and 1958

DISTRICT	(in quintals)							
	Wheat				Maize			
	State farms		Private holdings		State farms		Private holdings	
Zrenjanin	1957 20.2	1958 24.4	1957 16.0	1958 11.4	1957 38.3	1958 39.7	1957 28.5	1958 29.0
B. Topola	29.0	25.5	21.3	15.3	47.4	53.3	34.2	33.2
Vinkovci	32.0	27.5	22.4	14.9	45.8	48.2	34.2	27.2
Osijek	35.6	34.9	22.3	16.0	59.4	64.6	31.0	27.3
Požarevac	22.5	18.7	17.3	9.0	36.5	21.8	23.6	5.8

Thus the yields per hectare on the big holdings reveal a sustained upward trend which is due to the adoption of mechanization, the application of modern farming methods, and the introduction of new varieties of hybrid maize and Italian wheat. While the average yield per hectare on the big farms was only slightly higher than on the individual peasant holdings in 1954, the wheat yields obtained in 1958 were twice as high, while maize yields were trebled. Last year was unfavourable for agricultural production, so that the average grain yields much lower than in 1957. As distinct from this general tendency, the yields on the state and collective farms were higher than in the previous year because the application of modern farming methods made it possible to overcome the effects of the adverse weather conditions.

The growing yields per hectare has enabled the share of the state farms and work cooperatives in aggregate Yugoslav cereal production to increase steadily, and in 1958 they reached 10 and 15 percent for wheat and maize respectively in 1958.

Many modern orchards and vineyards have been planted on the state farms during the past few years, the object being that these holdings should become major producers of fruit, grapes and wine.

Serious efforts and being made and substantial resources invested for the speediest possible development of livestock-farming, formerly one of the most backward agricultural branches in this country.

Considerable headway has been made in the cattle-breeding sector. Notwithstanding last year's drought and other difficulties, the state farms have succeeded in maintaining the livestock numbers, and this year they are expected to be even 60—65 percent above the 1957 figure. This improvement has been achieved by imports of stock for breeding and an increase in the number of bloodstock in the country.

The economic measures to be taken will enable the fattening of 240,000 to 250,000 head of cattle, mostly steers, in 1959, or almost double the number available in the social and cooperative sector in 1957.

Careful attention is likewise being devoted to the increase of milk production. The average milk output per cow in this country, is about 900 litres. The average output per cow on the big farms was 2,519 litres in 1958, against 1,813 litres in 1954. Many big state farms, such as „Belje“, „Beograd“, „Banat“, „Bratstvo i Jedinstvo“, „Verusic“, have registered an average annual milk output of 4,000 litres per cow, thus reaching the target set for 1961.

Pig numbers on state farms in 1957 were far below the 1954 level. The situation improved rapidly in 1958, however, owing to favourable conditions for the fattening of pigs and importation of purebred stock. The state farms are an important factor in the advancement of pig-breeding. Particularly

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good results were accomplished in the breeding of porkers and special types of hogs. Bacon was exported to Great Britain where it was well received by the consumers.

The role of the state farms in the development of agriculture is not, however, limited to the foregoing. The state farms also conduct important experiments in the cultivation of wheat and maize, in the planting of orchards and vineyards, and in dairy and meat production, with the aim of introducing the most up-to-date technological processes and assuring the highest possible, stable and economical production.

The state farms now have considerable mechanization, as well as adequate means of production, and a large expert staff at their disposal. They are in a position to test the latest achievements of agricultural science on a large scale, and immediately to apply the results ascertained on their land. In this way they provide convincing demonstrations of the latest scientific achievements.

The sowing of hybrid maize and high-grade Italian wheat is a case in point. The first attempts to popularize hybrid maize met with strong resistance among the individual peasants. It was only when high yields of hybrid maize were obtained on vast surfaces belonging to the state farms (on 100 hectares the „Pančevački Rit“ farm obtained an average dry grain yield of 110.1 quintals per hectare, the Vukovar farm obtained yields of 110.3 quintals per hectare on 132 hectares, etc.) that hybrid maize and the farming techniques required by high yields were widely adopted. The state farms

are now striving to secure average maize yields of 80–100 quintals of dry grain per hectare, and it is certain that they will accomplish this objective in the near future.

The popularization of the high-grade varieties of Italian wheat provides a similar example. The first experiments with these were made on the state farms in 1956–1957, when the former record of 40 quintals per hectare was surpassed and raised to 70 quintals per hectare. In 1957 and 1958 Italian wheat was sown on about 40,000 hectares, of which the state farms accounted for about 32,000 hectares. An average yield of 40 quintals per hectare was obtained on these surfaces, while the Yugoslav record yield of 70 quintals per hectare in 1957 rose to 91 quintals per hectare in 1958. This was also the world record that year, and one of the highest yields ever obtained anywhere.

The adoption of these measures on the state farms led to the development of new methods in the cultivation of wheat and maize and other staple crops, based on deep plowing, the preparation of the soil for sowing, the consumption of large quantities of mineral fertilizer etc. A similar situation prevails in the other branches of agriculture. The state farms, as the exponents of modern farming methods, are to be thanked for their rapid and continual development, thus helping agriculture to emerge from its backwardness and catch up with the other economic branches, whose development began earlier and progressed at a more rapid pace.

Official Statements

Yugoslav Attitude on...

MARCH 20

THE CHINESE PROTEST. — „While not prejudicing the reply of the Yugoslav Government to the verbal protest of the Chinese Government, we wish to state following: anyone who has followed the Chinese press and the statements made by individual Chinese leaders must have noticed that for months an entirely unprovoked and vehement campaign is being waged against our country, and that this became still more violent during the visit of President Tito to some countries of Asia and Africa. Thus, our people and government are being insulted in the most offensive terms, and our entire policy denigrated and misrepresented. Our press has reacted only from time to time, and always in a concrete manner. If anybody had both reason and cause to protest, then this was the Yugoslav Government, and by no means the Chinese Government. On the same day, on March 18, 1959, when our Chargé d'Affaires was presented with the Chinese protest for our alleged distortion of the Chinese attitude toward Yugoslavia, and President Tito in particular, a leading article was published in the daily „Jen Min Ji Bao“, which denounced the Yugoslav policy and the political aspect of the President's voyage in still more brutal terms and along the lines described by President Tito in his recent speech. The contents and tone of the protest are very similar. It is obvious therefore that the Chinese Government wishes to impose unequal relations upon us, in which they may use every means in their campaign against us, while we are not even allowed to notice that we are being attacked. Needless to say, the Yugoslav Government will not allow itself to be placed in such a position, and, in as far as this is a definite conception of the Chinese Government it certainly will not add to the prestige of its advocates.

On March 18, 1959, during the visit at which protest of

the Chinese Government was delivered to him, the Yugoslav Chargé d'Affaires lodged the most resolute protest against the speech of the Chinese Foreign Minister, Chen-shi, of December 7. The Yugoslav Chargé d'Affaires was unable to do so previously, as his request to be received officially was persistently refused.

THE TRIAL IN FLORENCE. — „The demands of the prosecution and its arguments are all the more surprising in the light of the irrefutable proof given by many witnesses of the lack of foundation of the charges proffered and the justification of the claims made by the defence to apply Art. 16 of the Peace Treaty. An verdict which would conform to the demands of the prosecution would imply the condemnation of the Liberation Struggle against fascism, and would be contrary to the existing relations between the two countries. The Yugoslav Ambassador in Rome was instructed to take appropriate steps in this regard with the Italian Government.

THE MINORITY SCHOOLS IN CARINTHIA. — In spite of the assurances received from Austria that the question of the Slovenian minority and schools will be settled in accordance with Art. 7 of the State Treaty with Austria and in the spirit of good neighbourly relations with Yugoslavia, the adoption of the legislative proposals on minority schools in Carinthia and the use of the Slovene language in the Law courts by the Austrian Parliament, is contrary to the justified demands of the Slovene minority and to the obligations assumed by Austria. The Yugoslav Government is extremely surprised by the precipitate manner in which these legislative proposals were passed and stresses that Austria must assume full responsibility for the negative consequences which may ensue therefrom. Apart from this, the Yugoslav Government is deeply

concerned with the possible effects of such methods in the settlement of problems in which mutual interest has been recognized.

TALKS WITH WEST GERMANY. — In connection with the statement made by a spokesman of the Ministry of Foreign Affairs of the Federal Republic of West Germany that „the secrecy of the talks on the renewal of diplomatic relations has been violated by Yugoslavia“, the official spokesman of the State Secretariat for Foreign Affairs stated: „Report on the negotiations, which misrepresented the actual state of affairs, appeared in the Western press long before our statement, and did not come from Yugoslav sources“.

KHRUSHCHEV'S STATEMENT. — The Soviet Prime Minister Khrushchev summed up the position of the Soviet Government on the problem of Germany and Berlin, on which our position is known. As for a separate peace we consider that the possibilities for the negotiation of a general agreement have not yet been exhausted. We also consider the greater stress laid on the readiness to talk and negotiate at Khrushchev's press conference a favourable fact.

MARCH 27

THE MINORITY SCHOOLS IN CARINTHIA. — In connection with the recent lecture delivered by the Austrian Minister of Foreign Affairs Figl on Austrian foreign policy, who affirmed on that occasion that by adopting the Law on minority schools in Carinthia and the use of the Slovene language in some law courts, Austria not only „fully observed the letter and spirit of Art. 7 of the State Treaty, but even went beyond its duty“, the official spokesman of the State Secretariat replied as follows: The recently adopted laws in the Austrian Parliament on the minority schools in Carinthia and the use of the Slovene language in some law courts do not constitute the observance of the text and still less the spirit of Art. 7 of the State Treaty. The dissatisfaction provoked by the adoption of this Law among the Slovene minority indicate to what extent its status has been impaired by these laws. „Referring to the statement of Herr Figl on Yugoslav-Austrian relations, the representative of the State Secretariat replied as follows: „We are unfortunately obliged to note that this attitude of the Austrian Government towards the settlement of the problem of the Slovene minority does not coincide with its statements on its wish to improve bilateral relations“.

REUTER'S REPORTS. — It is correct that we have stated our opinion to the governments of the USSR and the Western powers that Yugoslavia ought to take part on the conference on Germany and European security. We consider that it would be just and desirable if our country, as one of the most active members of the anti-Hitlerite coalition and as a country which is consistently striving for the consolidation of peace and is not aligned in any of the existing blocs, should take part in the settlement of these problems.

ON THE TENDENTIOUS WRITING OF RUDE PRAVO AND SOME OTHER PAPERS. — The aim is transparent. During the era of normalization the Balkan Pact did not hamper these countries of the socialist camp in the least. It is not the „remains“ of the Balkan Pact, but the policy of these countries towards Yugoslavia that obstructs mutual relations and the consolidation of peace.

VISIT OF WEST GERMAN SOCIAL DEMOCRAT PARTY. — Asked what comment he had to make on the visit of the delegation of the West German Social Democrat Party and the talks held in Belgrade on that occasion the official spokesman stated that the delegation, headed by Fritz Erler Vice-President of the Social Democrat Party faction in the Bundestag, did not hold any official talks. An exchange of

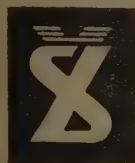
views took place, however, between the members of the Social Democrat delegation and the Yugoslav representatives in the Federal Committee of the Socialist Alliance.

TENSION BETWEEN IRAQ AND THE UNITED ARAB REPUBLIC. — „We regret that dissension has appeared and are convinced that it is possible to overcome the existing difficulties and find a way to develop good relations and constructive solidarity in the Arab world by means of mutual goodwill and effort, as well as through the endeavours of the other Arab countries. Any interference from outside in the internal difficulties of these countries can only aggravate the existing problems and complicate matters still further.“

MACMILLAN'S VISIT TO THE USA. — Although we are not acquainted with the details of the talks, we consider that this visit, generally speaking, was beneficial as it confirmed the readiness to negotiate on crucial international issues.

DE GAULLE'S STATEMENT. — The avoidance or delaying of talks with the representatives of the Algerian Government is impeding the solution of this problem, thus increasing instability and enhancing the danger of wider international complications in this part of the world“.

(Extracts from the News Conference held by the Official Spokesman of the State Secretariat for Foreign Affairs on March 20 and 27).



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SITUATED at Železnik, near Belgrade, the Factory covers an area of about 0.8 sq. km. Constituted by a number of departments such as: foundry with mould workshop, mechanical workshop, machine assembly department, metal constructions, railway switch workshop, forging department, toolmaker's workshop, gas generator plant, oxygen plant, transformer station, repair and maintenance workshop, adequate facilities for the storage of raw materials, semi-finished and finished products, and an engineering office, part of which is at Belgrade.

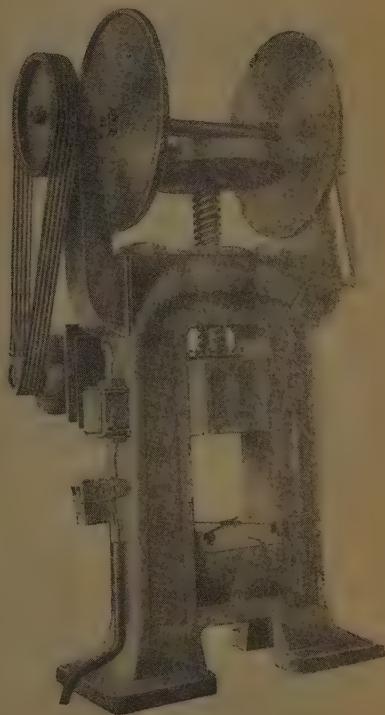
The manufacturing programme of the Factory contains the building of heavy machine tools, machinery and equipment for steel mills, blast furnaces and their equipment, mining machinery as well as equipment for a number of industries, such as sugar refineries, paper mills, tile and brick factories, the chemical industry and the manufacture in series of railway switches and materials handling equipment.

Production Facilities:

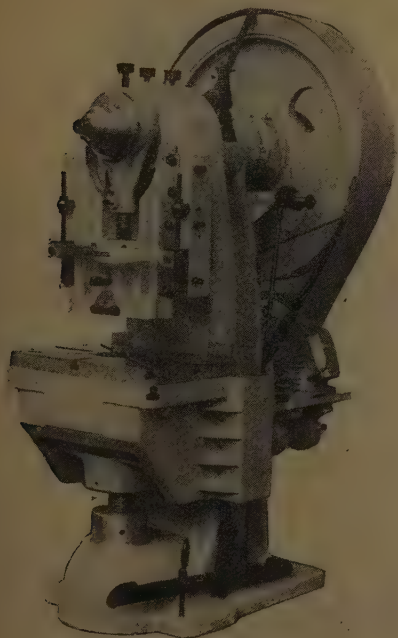
The foundry casts grey and pig iron as well as steel castings. Grey iron castings are cast in all current qualities, including corrosion resistant alloys. Castings from the simplest to the most complicated shapes are executed, weighing from a few pounds up to 50 ton. Besides supplying all the castings required in the manufacturing programme of the Factory, the foundry supplies castings to a number of other customers.

The foundry is working to DIN-standards, and these are observed for the standard qualities of grey iron GG 14 — GG 18, the high quality grey iron GG 22 — GG 26, special grey iron GG 30, and also in the casting of high silicon content castings, haematitic castings, low chromium alloys etc.

The mould workshop prepares all the moulds required by the foundry. The most remarkable cast products are housing for three-high rolling mill transmission gears, the weight of some of these having been 48 ton. A regular product are housings for speed reducers, cast columns and poles, work-



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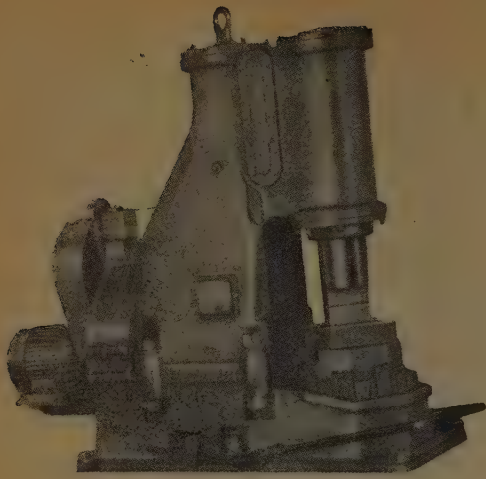


EXCENTRIC PRESS EP 50 TON

tables and columns for horizontal boring and milling machines and vertical lathes, big ladles for steel foundries, vessels for acids and cast alloy steel equipment for sulphuric acid factories, made from 12—14 per cent silicon alloys, crushing and milling rolls having a hardness of 64 to 85 Shore.

The steel foundry casts individual castings having up to 5 ton. The steel is manufactured in electric furnaces, in the following qualities:

- standard cast steel GS 38 — GS 60
- high quality cast steel GS 38.1 — GS 60.1
- manganese steel
- corrosion resistant steels, alloyed with chromium, nickel-chromium and chromium-manganese alloys.

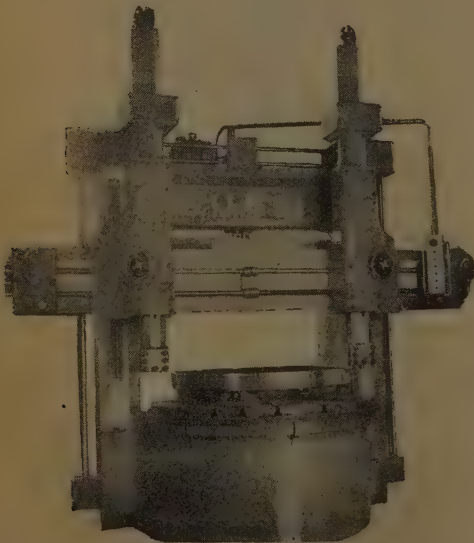


PNEUMATIC HAMMER PH 150

The mechanical workshop consists of a number of departments such as: gear cutting, milling, turret lathe, small, medium and heavy lathes, vertical lathes, small, medium and heavy boring and milling machines, medium and heavy slotters and shapers, planers and grinding machine department.

The gear cutting department manufactures all sorts of spur gears with straight and helical teeth, worms and worm gears, bevel gears, racks and toothed shafts, and executes the grinding of spur and helical gears.

The metal construction department is well equipped with machinery for the working of sheet metal, sections and plates (shears, break presses, hydraulic presses, sheet and plate bending machines etc.), and manufactures all sorts of steel structures, whether welded or riveted. Steel structures to special requirements are also manufactured (hot welding after preheating to 300°C), as well as welded constructions executed to close standards of accuracy, workmanship and quality of welds.



VERTICAL BORING MILL MODEL KS 1500

Products:

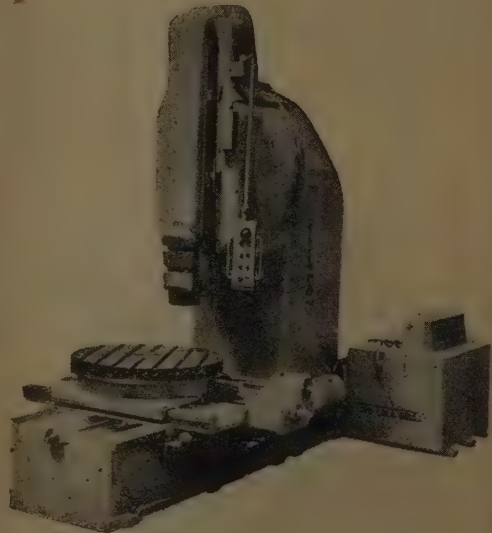
THE Factory builds in series a number of machine tools (gear-excentric presses, friction presses, shapers) and railway switches. All other machine tools and equipment included in the manufacturing programme are built individually.



PLANER P 1300

A — MACHINE TOOLS

Excentric presses, with max. pressures of 10, 50 and 100 ton. The 50 ton presses are built in two models, with movable and fixed tables. All presses are built from high quality materials, with hardened steel, best quality crank-



HYDRAULIC SLOTTER D 550

shafts. The presses are equipped with a safety device against overloads, and a "two-hands" device to protect the operator against his hands being caught by the moving parts of the press.

Friction presses with max. pressures of 75 and 150 ton. Both models are built from choice materials and have all the safety devices to protect them against overloads. The pressures may be adjusted by means of stops limiting the lift of the flywheel.

Pneumatic hammers with falling weights of 150 and 500 kilos, built for continuous heavy-duty work. The impact force is easily adjustable. The hammers have automatic lubrication and a silent air distribution system, reducing the noise to the lowest possible level.

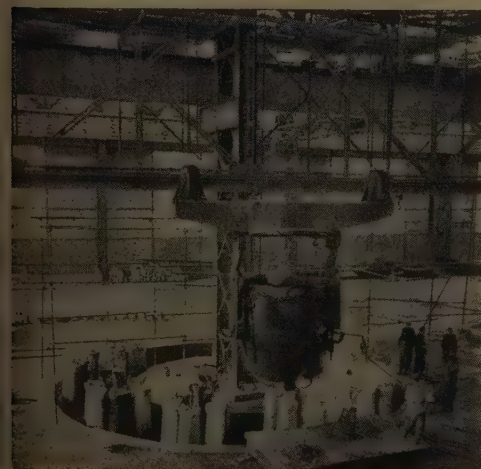


OPEN HEARTH FURNACE AND FURNACE CHARGER

Shears for steel sheet of 5, 8, 11, 16 and 25 mm. The 5 and 8 mm shears have an under-table drive, whereas for all other models the drive is above the working table. All models are fitted with graduated stops and an overload protection.

Plate bending machines for plates of up to 10 mm thick, and rolls of up to 4000 mm. For long rolls, a special patented device is incorporated, which counteracts the bending of the rolls under high loads. For the angular bending of sheets or the bending of rolled steel sections, the machines can be equipped with special additional equipment and corresponding tools.

Vertical, boring mills with turntable dia. of 1000 and 3000 mm. The 1500 mm dia. boring mills are built in two models, single column and double column boring mills. Shapers with strokes of 600 and 800 mm, hydraulic



FOUNDRY TURNTABLE

operated, and continuous speed and stroke control. For rapid table movement an electric motor is built in.

Planers, the R. 1300 model planer is equipped with a Ward-Leonard group for the principal drives, and has a continuously adjustable table travel as well as a continuously adjustable tool movement by means of individual electric motors. The guides are protected against damaging and scratching. All controls and movements of the machine are electric.

B — STEEL MILL EQUIPMENT

Open hearth furnace of 30 and 180 ton capacity. The 30 ton furnace is of the stationary type, whereas the 180 ton furnace is of the tilting type. The furnaces are equipped with an installation for reversing, cooling as well as with complete controlling and measuring instruments.

Furnace chargers for Siemens-Martin furnaces, ladle capacity 2.5 ton, with four independent drives, for travel, trolley travel, boom rotation and hoisting and lowering of boom. The machine travels along furnaces on rails.

Casting turntable for casting ingots in series. The turntable is revolving at slow speed bringing the moulds under the casting channel of the furnace.



THREE-HIGH MILL ROLL DIA. 780 MM

C — ROLLING MILL EQUIPMENT

Blooming mills complete, fully mechanized and of up-to-date design, including heating furnaces for blooms, trimming machines etc.

Rolling mills for steel section, complete, with all ovens and furnaces and trimming machines.

Concrete reinforcing steel rolling mills, fully or partially mechanized, complete with furnaces, coolers and reels.

Light gauge sheet mills complete, for rolling of black sheet, dynamo and transformer sheets, stainless steel sheets.

All rolling mills may be delivered complete with electric equipment.

Individual equipment for rolling mills, built to order: Speed reducers of up to 1200 kW power transmission, in fully welded steel construction.

Transmission gears for the drive of the upper rolls of three-high mills, of best quality material, with milled teeth, centralized lubrication by electric motor driven oil pump.

Two-high and three-high mills with roll diameters of 250 to 800 mm, for hot rolling, as well as two-high mills for cold rolling and dressing mills.

Transportation equipment for rolling mills, such as conveyor rolls, chain conveyors, transfers of every description, lifting tables, mechanical coolers, various sorts of group driven rolls.

Trimming machines such as bloom shears, slab, wire-bar and steel plate shears, with pressure of 150 and 350 to. Bloom heating furnaces, furnaces for the heating of wire-bars, sheet-bars, sheet packages, complete with all pertaining machines form and installations for feeding the furnaces and pressing the materials through them.

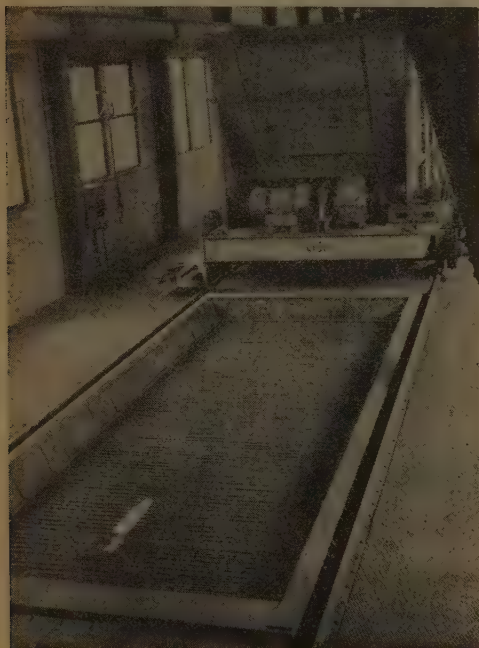
Gas generators of 3200 mm dia., output capacity 50,000 Nm³ of gas per 24 hours.

D — BLAST FURNACE EQUIPMENT

Blast furnaces of 600 to per 24 hour capacity.

Ore and coke handling equipment.

Ore sintering equipment for sintering ores in pans of 10 and 23 sq. m., including all machinery and equipment (bunkers, mixers, chargers and burning trolleys, crushers, pans with mechanical drive, sieves, conveyors, cyclones, exhaustors, pneumatic transportation of material, ventilation), as well as complete electric installation, measuring and control instruments.



SINTERING PAN 28 SQ.M. SURFACE

E — CABLE WORKS

Delivery of complete factories for the manufacture of electric cables and conductors, including drawing benches, reducing machines, insulating and insulation material preparing machines, all auxiliary machinery and equipment. Complete copper wire-bar rolling mills.

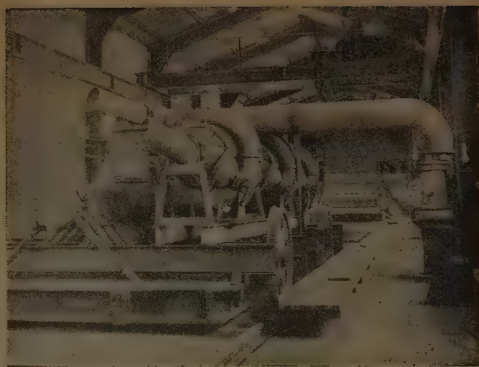
F — FOUNDRIES

Cupola furnaces for grey casting, inner dia. 500, 600, 700, 800 and 900 mm, with respective output of 1500, 2000, 2800, 4000 and 5000 kilos per hour.

Sand preparation, equipment with a capacity of from 3 to 15 cbm per hour, complete with elevators, band conveyors, bunkers, batchers, mixers, aerators, sieves, conveyor rolls.

Moulding machines, vibrating, press or rotary system, for frames of 230 × 450 to 2000 × 1500 mm.

Complete foundries for grey iron, steel, malleable iron; fully mechanized, complete with installation for



BURNING TROLLEY

sand preparation, core workshop, moulding and trimming shops with full materials handling equipment, casting frames, etc.

G — BRICK WORKS

Complete brick works for standard and shaped bricks with monthly outputs of 1,000,000, 1,500,000 or 3,000,000 bricks, of standard DIN size. The equipment consists of bucket excavators, plates, mixers, vacuum presses, cutting tables, drying ovens and kilns, transportation equipment as well as of all other auxiliary equipment, automation, measuring and control instruments.

H — CRANES AND MATERIALS HANDLING EQUIPMENT

Overhead cranes, lifting capacity up to 50 ton, span up to 30 met., all welded construction, with steel plate enders, with or without grab.

Gantry cranes, up to 20 ton capacity.

Hand-operated hoists and trolleys, up to 10 ton capacity.

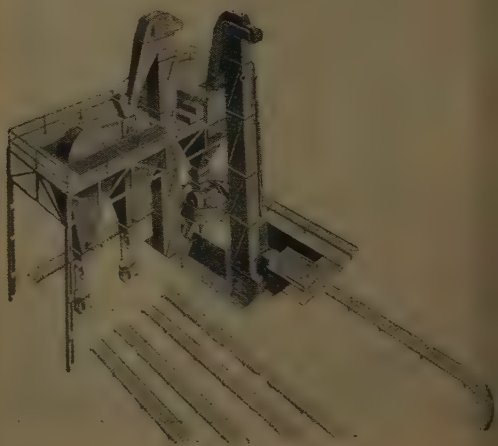
Rubber band conveyors, for mining and industry, band width 300 to 1200 mm.

Top plate conveyor chains, light and heavy duty, all widths.

Rake conveyors with two chains.

Elevators for all industrial applications.

Complete materials handling installations, including feeders, hoppers, unloaders, storage bunkers, helical transporters, batchers, dumpers etc.



SAND PREPARATION

YUGOSLAVIA

the country of natural beauties and
cheap accommodation

— Her sunny Adriatic Coast, one of the most beautiful on the Mediterranean, picturesque old towns, sandy beaches and beautiful summer resorts.

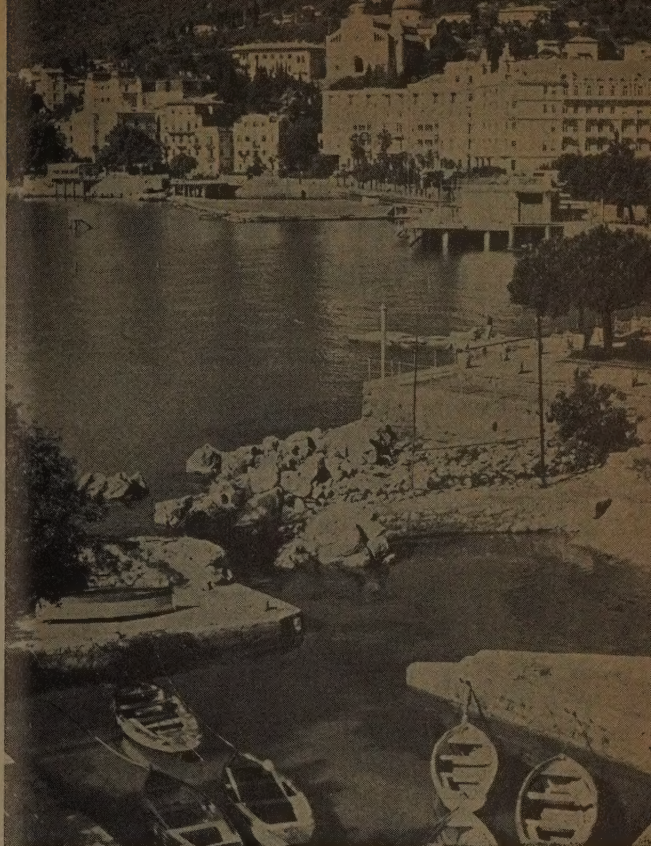
— her numerous lakes, wooded mountains, spas and climatic health resorts

— her excellent hunting, fishing, mountain-climbing, winter and other sports

— her cultural and historical monuments, interesting folklore, knightly tournaments, fairs of all kinds, cultural and artistic events

— her comfortable accommodation and delicious national dishes

attract tourists from all over the world to Yugoslavia.



OPATIJA

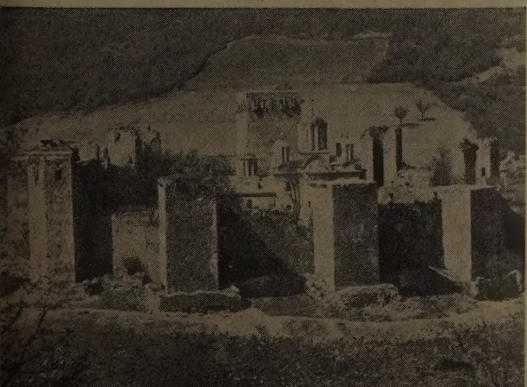


BLED

CONDITIONS FOR A VISIT TO YUGOSLAVIA IN SPRING ARE ESPECIALLY FAVOURABLE BECAUSE OF THE REDUCTION OF HOTEL PRICES BY 30 TO 40%. THE TOURIST RATE OF EXCHANGE FOR YOUR CURRENCY FURTHER REDUCES THE EXPENSES. FOR YOUR STAY.

Tourist Association of Yugoslavia

BELGRADE, LOLE RIBARA 39, P.O.B. 595



THE MEDIEVAL MONASTERY
OF MANASTIR

The Socialist World is not an Association to Which One can now be Admitted and now Excluded from It

At the third Congress of the League of Communists of Bosnia and Hercegovina, held from March 27 — 30, Petar Stambolić greeted the Congress in the name of the Executive Committee of the League of Communists of Yugoslavia. The following is an excerpt from his speech:

THE CAMPAIGN which was launched last year in the countries of Eastern Europe against the League of Yugoslav Communists and our country goes on. The things alone that are being written these days in China, Bulgaria and Albania against our country, our socialist construction and comrade Tito are so monstrous as to recall the campaign from 1949. The tone and the expressions employed in the last days differ from what had been said at the 21st Congress of the Communist Party of the Soviet Union. At the 21st Congress, Khrushchev was saying that „we have a common language on a series of foreign-political questions, that he will tend to co-operate with Yugoslavia on all questions of the struggle against imperialism, for peace, on which our positions coincided.“ However, the attacks made in the mentioned countries against our whole policy, our socialist order, obviously are intended to carry the thus-far unsuccessful campaign to interstate relations.

For a time the organizers of the anti-Yugoslav campaign had sought to keep it formally within the framework of an „ideological struggle,“ but it soon proved, as we had said at the start of the campaign, that ideological struggle is merely a screen for other aims and it was proceeded to make overt unsparing attacks against our socialist practice. For, the roots of that conflict lie in the relations and processes developing in those countries and it is not accidental that the anti-Yugoslav campaign is assuming the sharpest form just in such countries as China, Bulgaria and Albania, where the contradictions of those relations are most manifest.

In the campaign, on one hand, with Stalinist hypocrisy, anxiety is expressed over the fate of the Yugoslav peoples and the achievements of their striving for socialism, for a socialist buildup, while on the other hand, with marked vehemence, it is attempted to discredit the social-economic order in Yugoslavia and everything that the peoples of Yugoslavia have achieved thus far under Communist leadership. It is sought to attain all that under the slogan of „annihilating blows on Yugoslav revisionism.“ Even our foreign policy, and our economic results, and our cultural policy have become the subject of those attacks. Especially in the last times, violent attacks have been levelled at the foreign policy of Yugoslavia, who, thanks to her consistent striving for peace and international co-operation, thanks to the constant support extended by her to the struggle of peoples and countries for independence and equal relations, enjoys prestige and sympathy among all progressive and socialist forces in the world. It is by no means accidental that comrade Tito's trip to the friendly countries of Asia and Africa, a trip whose sole purpose was to expand Yugoslavia's co-operation with those countries, which represents a contribution to peace and the consolidation of international co-operation at large, had provoked even wrath

and undisguised dissatisfaction in some of the countries denouncing us.

In this campaign, phenomena are increasingly coming to the fore which are causing more and more anxiety to all honest and progressive people in the world and to all those striving for peace and an equal international co-operation. At a time when efforts are made to reduce world tensions, to find peace-loving and constructive solutions for some disputed question, the anti-Yugoslav campaign its character, its motives and methods are sowing suspicion and mistrust, detracting from the positive efforts for world peace. It is becoming increasingly evident that even the mere recourse of such methods in the name of socialism is inflicting a blow on socialism itself.

On our part, we have favoured development of sound mutual relations with those countries. We strove for that even at the time of the worst Stalinist campaign after 1948, we approached wholeheartedly a promotion of sound relations after 1955, and even today, always aware of a wider interest, we remain patient in our efforts to create the conditions for mutual co-operation on all matters common to us and maintain normal interstate relations. We are being asked by many comrades why are we deporting ourselves so forbearingly and calmly in the face of those attacks. We are conscious that this conflict has emerged over a wider domain of development of the contemporary Socialism and that this campaign has deeper roots, and not for a moment are we losing faith therefore that socialist forces will be able to overcome the difficulties and contradictions which the development of socialism is going through.

However, we cannot omit saying whence such a campaign and what its roots are. In the whole post-war period a deeper crisis has beset the system established during the Stalinist era. During recent years it came to major political changes in socialist countries, notably the Soviet Union. Those changes did not proceed evenly in all countries. In some, in which it is sought to avoid that positive process, to maintain the old condition, serious difficulties have been appearing which we did not want to discuss and write about, leaving it to those countries and their peoples to seek out solutions for the difficulties they had run into. We did not want to talk about the causes of the grave difficulties encountered by China due to the fact that her internal development had proceeded in the last times marked by a negating of the fundamental social and economic laws and that this soon had to force the protagonists themselves of such a policy to make corrections in the face of the difficulties they came up against. And so, during this whole period of new campaigning against our country, we have confined ourselves to the most indispensable answers which we were under obligation to give for the sake of our own and the progressive world public in connection with the attack. However, we are bound to say that the campaign against Yugoslavia cannot solve burning internal problems nor stifle the need for a continued development of socialism.

For particular political ends, no doubt, the campaign today insists upon the thesis of a so-called „isolation“ of Yugoslavia from the socialist world. The idea being that Yugoslavia is „to blame“ for such an „isolation.“ However, obviously that thesis constitutes but an instrument of a particular policy some socialist countries are anxious to realize in relation to Yugoslavia. The fact is that our country has been the first since the times of October to carry out a successful revolution, becoming a part of the socialist world as a result, regardless of whether somebody admitted it or not, and there are no forces in existence, whether external or internal, that could isolate it from socialism. The socialist world is not an association to which one can now be admitted and now excluded from, and only the objective social socialist reality in Yugoslavia constitutes the fundamental element of her integration with the other socialist forces of the world.

No one, no matter how highly he thought of himself, can with his subjective appraisal negate the socialist character of Yugoslavia and isolate her from the remaining socialist forces with which she is indissolubly linked. Consequently the thesis about some "isolation" of Yugoslavia in a political sense is an expression of a subjective and mechanical detachment of socialist forces. How can one defend a thesis that — at a time when there exist a number of socialist countries, when socialism is developing into a world system — a socialist country can come into the position to build socialism on her own, drawing then the conclusion from the thesis that, "self-isolated," it has no possibility to build it up. Practically speaking, in a political sense, from the point of view of the striving for socialism and its development, that thesis is profoundly harmful. The assertion about the "self-isolation" of Yugoslavia ought to provide the grounds for releasing other socialist countries from the obligation to co-operate with her. And not only that. Concealed in the tales about the "self-isolation" of Yugoslavia is the anti-socialist theory that some socialist countries are entitled to demand of another socialist country to adopt their attitudes and renounce an independent policy and paths of its own in the buildup of socialism. Now, if that is not hegemony, what is?

It is also a matter of surprise and concern that it is still tried to persist in such mistaken methods and practices when the need for free and equal relations in the international labour movement still constitutes an essential and indispensable factor of successful striving for socialism.

Socialist social forces are blazing their trail in an irresistible way. They are going to overcome and transcend those contradictions in the way of socialist development upon which, in the final analysis, is based and from which emanates the present unprincipled campaign against our socialist country. History will show that that campaign is just as unfounded as the one from ten years ago or so has been.

Announcement of the Secretariat for Foreign Affairs

A spokesman of the Secretariat for Foreign Affairs made on March 24 the following statement.

On the twentieth of this month the official organ of the Central Committee of the Communist Party of Bulgaria, "Ratnichko delo", published an editorial which, with lies and slanders, attacks in the crudest manner Yugoslavia and her policy and insults the person of the President of the FPRY.

Both this article, which comes after a series of similar articles in the Bulgarian press and radio, and the statements of the most responsible leaders — testify that the government of the PR of Bulgaria, quite contrary to what she states about her intentions, acts intentionally towards the prevention of normal neighbourly relations, and pursues systematically and intentionally an unfriendly policy towards FPRY, causing continual worsening of relations and poisoning the international atmosphere.

This harsh and destructive policy of the government of the PR of Bulgaria, especially when connected with the revival of irredentism, is becoming a serious threat to peace, and must cause the deep concern and condemnation of all those who have at heart the lessening of international tension and the preservation of peace. This policy is also in total contradiction with the clear obligations which the Bulgarian government undertook as a member of the United Nations.

There is no doubt that the government of the People's Republic of Bulgaria, in pursuing such an unfriendly policy, taking on itself a heavy responsibility.

Meetings and Talks

YUGOSLAV-POLISH TALKS ON NUCLEAR ENERGY. — A Conference of Polish and Yugoslav experts on the application of nuclear energy in agriculture, forestry and veterinary science was held on March 25–28 in Beograd, the work of Polish and Yugoslav scientific workers in that domain being reviewed. Beside general papers on the application of nuclear energy for those purposes in Yugoslavia and Poland, a series of other scientific papers by authors from both countries were also submitted. The Conference was attended by ten Polish and a larger number of Yugoslav scientific workers and specialists from leading agricultural, forestry and veterinary institutions.

PRESIDENT OF ITALIAN-YUGOSLAV CHAMBER OF COMMERCE VISITS BEOGRAD. — On the invitation of the Federal Chamber of Foreign Trade, the President of the Italian-Yugoslav Chamber of Commerce in Milan, Renato Teani, who is an engineer and professor, arrived in Yugoslavia on March 20. The purpose of the visit being to assess the possibilities for exporting Yugoslav manufactured goods to Italy and discuss with Yugoslav economic representatives an expansion of the present arrangements.

YUGOSLAV SCIENTIFIC AND SOCIAL WORKERS TO U.S.A. — The first group of Yugoslav scientific and social workers left for U.S.A. at the end of March being due to spend there from two months to a year on Ford Foundation fellowships studying various scientific problems. On the basis of a recently concluded agreement, about 20 Yugoslav scientific and social workers will this year be benefiting by assistance from the Ford Foundation.

YUGOSLAV TRADE UNION DELEGATION TO U.S.S.R. — A delegation of Yugoslav Trade Unions left for Moscow on March 22 where it will represent the Federation of Yugoslav Trade Unions at the Congress of the Central Council of the Federation of Trade Unions of U.S.S.R. The delegation was headed by the president of the Central Council of the Socialist Alliance of the Working People of Yugoslavia, Mika Špiljak.

WEST GERMAN SOCIAL-DEMOCRATS VISIT BEOGRAD. — A delegation of the Social-Democratic representatives in the West German Bundestag, led by the party's vice chairman, Fritz Erler, arrived in Beograd on March 24. During their 4-day stay in Yugoslavia the delegates had meetings and discussions with Yugoslav state and political leaders, the conversations covering current international problems, with special regard for the German and Berlin question. The members of the delegations were received by President Tito on Brioni Island.

YUGOSLAV-HUNGARIAN SOCIAL INSURANCE CONVENTION. — An Administrative Arrangement for application of the Convention on Social Insurance between Yugoslavia and Hungary, which was concluded in October, 1957 in Budapest, was signed at the Federal Institute for Social Insurance in Beograd on March 17.

Negotiations and Agreements

ITALIAN-YUGOSLAV AGREEMENT. — Italian-Yugoslav negotiations relating to trade in 1959 were concluded on March 17 in Beograd. A Supplementary Protocol to the Trade Agreement from 1955 was signed covering goods exchanges between the two countries. Also signed was a Protocol on local exchanges between the two countries' border zones.

TRADE AGREEMENT WITH CHINA. — After three months' negotiations in Peking, a Protocol on trade exchanges between

Yugoslavia and China in 1959 was signed on March 18. Provision was made for 1,250,000 pound sterling's worth of trade either way, which is 60 per cent less than last year.

AFGHAN TRADE DELEGATION VISITS YUGOSLAVIA. — An Afghan trade delegation, led by the Deputy Minister of Commerce, Mohammed Rasul Yunosi, arrived in Yugoslavia on March 25. This is the first such visit to this country. During their stay the Afghan delegates are to familiarize themselves with the structure of the Yugoslav economy and consider with Yugoslav representatives possibilities for the conclusion of the first Trade Agreement between the two countries. The Yugoslav delegation to these negotiations is headed by Miloš Lačović, minister plenipotentiary at the State Secretariat of Foreign Affairs.

YUGOSLAVIA, IRAQ SIGN CULTURAL CONVENTION. — A Convention on co-operation in the fields of education, science and culture between Yugoslavia and Iraq, was concluded on March 23 in Beograd, being signed by the chief of the Yugoslav delegation to the negotiations and Secretary of the Commission for Cultural Relations with Foreign Countries, Dušan Popović, and the chief of the Iraqi delegation, Taha Bakir.

DELEGATION OF YUGOSLAV ECONOMIC REPRESENTATIVES TO SCANDINAVIA. — At the beginning of April a delegation of Yugoslav economic representatives is due to visit Sweden, Finland, Norway and Denmark. The delegates, led by the Secretary of the Federal Chamber of Foreign Trade, Dr. Milan Aleksić, will conduct negotiations toward increasing trade with those countries and examine possibilities for larger Yugoslav exports to those destinations.

Chronicle of Political Events

March 15 — The 3rd Congress of the Association of Reserve Officers and Non-commissioned Officers was held in Beograd. Mitar Bakić was re-elected as chairman of the Association. In a letter to Marshal Tito the delegates to the Congress emphasized, inter alia, that the Association will make the greatest efforts to make its contribution to safeguarding a peaceful and independent socialist development.

March 17 — A meeting of the Federal Executive Council was held at which President Tito presented a report on his trip to the countries of Asia and Africa.

March 22 — The Commission on Distribution of Income and Salaries of the Central Council of the Federation of Yugoslav Minister Extraordinary and Plenipotentiary of resources, the supplementary contribution, evaluation of office employees, and allowances for official trips.

Diplomatic Diary

March 15 — By Decree of the President of the Republic, the Yugoslav Minister Extraordinary and Plenipotentiary to Albania, Arso Milatović, was recalled.

March 18 — President Tito received the Yugoslav Ambassador Extraordinary and Plenipotentiary to Brazil, Danilo Lekić.

March 18 — On the basis of a previously reached understanding, the Government of Yugoslavia and Ceylon agreed to raise their diplomatic representations in Colombo and Beograd respectively to embassy rank as of March 18.

March 19 — President Tito received the Ambassador Extraordinary and Plenipotentiary of Canada, Robert Ford, who had presented his credentials to the Vice President of the Federal Executive Council Edvard Kardelj during President Tito's trip to Asia and Africa.

March 19 — President Tito received the Ambassador Extraordinary and Plenipotentiary of U.S.A. in Beograd, Carl Rankin.

March 15 — President Tito received the Ambassador Extraordinary and Plenipotentiary of U.S.S.R. in Beograd, Ivan Zamchevski.

Our New Contributors

RADOMIR JOVANOVIĆ: Engineer of economics, Jurist, Under-secretary of the Economic section in the Union of Agricultural-Forestry Chamber.

Review of INTERNATIONAL AFFAIRS

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